

Indiana Housing Finance Authority Foundations Application Instructions

COMPLETE APPLICATIONS ARE DUE BY 5:00 PM IN THE OFFICES OF IHFA ON THE APPROPRIATE DUE DATE. LATE APPLICATIONS OR APPLICATIONS SENT VIA FACSIMILE, EMAIL, OR ON COMPUTER DISKETTE WILL NOT BE ACCEPTED.

INSTRUCTIONS FOR BINDING YOUR APPLICATION

All copies of the application should be copied double-sided and separated by lettered tabs. See the Application Table of Contents, page 2, for a list of the order each document should be placed and the contents of each tab. The applications should be bound together with an appropriately sized binder clip. DO NOT THREE-HOLE PUNCH THE APPLICATION AND PUT IT IN A BINDER OR SPIRAL BIND THE APPLICATION!

FOR APPLICANTS COMPLETING THIS FORM ON THE COMPUTER UTILIZING MS WORD 97 or later SOFTWARE: To place an "x" in a box ☐ to indicate your selection, simply highlight the box and type an "x". A box with an "x" in it will appear ☒.

APPLICATION TABLE OF CONTENTS

Fill in the appropriate page number in the blank. Be sure to number all pages of the final application, including attachments and appendices, and put the contents in the appropriate lettered tab. Add additional lines to the Table of Contents if you enclose additional attachments not already listed. Do not delete any of the items listed in the original application form. Use this form as your final checklist to ensure all required documents are enclosed and to order each document for final submission.

EXHIBIT 1: SUMMARY

- A. Primary County:** Indicate the primary county and, if applicable, other counties served by the award.
- B. Development Name:** If the development has a name, indicate it here.
- F. Affirmatively Furthering Fair Housing** - Required of all CDBG recipients.
- G.** Indicate the type of housing activity and the anticipated number of units that will result from this development.
- H. Local Population:** List the name and population of the local unit(s) of government in which the activity is located. Applicants proposing multi-county activities should only list the name and population of each county involved. From the HUD listing of 1990 Census Low/Mod Data, provide the percentage of the local population that is of low to moderate income. If the applicant has recently undertaken an income survey for an Indiana Department of Commerce (IDOC) application, the applicant may use the results from that survey. The applicant must attach documentation (limited to two (2) pages) demonstrating the survey results in TAB B.
- I. Clearly Defined Staff Person:** Applicants for CHDO or LIHTF Seed Money Loans must demonstrate organizational capacity to be considered for funding.
- J. Development Financing:** List the anticipated sources and uses of funds for the activity. We recognize that this may change as the activity progresses. Housing needs assessment applicants do not need to complete this section. CHDO or LIHTF Seed Money Loan applicants must provide a preliminary letter of commitment for development financing (construction loan or permanent mortgage) in TAB C.
- K. Site Control:** Applicants for CHDO and LIHTF Seed Money Loans only must answer yes to this question, in order to be considered for funding.
- L. Environmental Review:** Applicants for CHDO and LIHTF Seed Money Loans only must answer yes to this question, in order to be considered for funding.
- M. Development Feasibility:** Applicants for CHDO and LIHTF Seed Money Loans must be able to demonstrate feasibility in order to be considered for funding.

EXHIBIT 2: CONSTITUENCY SERVED

- A.** Indicate the income levels you will consider in this activity.
- B.** Indicate the special needs populations that will be considered in this activity.

C. ANTICIPATED BENEFICIARIES:

Report information on all persons and units that are anticipated to benefit from this activity.

The first column, labeled **# of Units**, should identify the number of units in each of the demographic line items listed in the chart. The total line should sum the number of units included in lines 1 through 10.

The second column, labeled **# of People**, should identify individuals in each demographic category. The total line should sum the number of people identified in lines 1 through 10.

The last column, labeled **% of Total People**, is calculated for each demographic category. For example to determine the percentage of a particular demographic, divide the number of people in that particular category by the total number of people in all categories. This column should sum to 100%.

Line 11: List low- and moderate-income households having incomes less than 80% of area median income (adjusted for household size) as established by HUD. To determine this number, the % of low- and moderate-income in the area should be multiplied by the number of units in column one and the number of people in column two. The percentage should then be listed in column three.

Line 12: List the number of units, the individual number of beneficiaries, and percentage of disabled persons (persons with a physical or mental impairment).

Line 13: List the number of units, the individual number of beneficiaries, and percentage of elderly persons (persons age 55 and over).

Line 14: List the number of units, the individual number of beneficiaries, and percentage of elderly persons (persons age 62 and over).

Line 15: List the number of units, the individual number of beneficiaries, and percentage of persons living in Female Headed Households.

EXHIBIT 3: ACTIVITY DESIGN

A, B, and C: Answer questions as specifically and as detailed as possible.

- E.** Letter of Notification: All HOME CHDO and LIHTF Loan applicants are required to send a letter of notification about the development via certified mail to the chief elected official of every city, town, or county that is being served. Applicants serving multiple counties must send a letter of notification about the development via certified mail to the chief elected official of every county that is being served.

Salutation:

I am writing to inform you that the (APPLICANT) is applying to the Indiana Housing Finance Authority on (APPLICATION DUE DATE) for (A HOME CHDO PREDEVELOPMENT/HOME CHDO SEED MONEY LOAN/LIHTF SEED MONEY LOAN) in the amount of \$(LOAN REQUEST) for the (DEVELOPMENT TYPE/NAME).

This activity will result in (NUMBER OF UNITS) of (ACTIVITY TYPE) housing to be located in (CITY/TOWN/OR COUNTY). This development will target the housing needs of the (SPECIAL NEEDS POPULATIONS TO BE TARGETED).

Feel free to call me at (APPLICANT'S PHONE) if you have any questions about the development. If you have any comments regarding our application, you can forward them in writing to:

Sheryl Sharpe, Director of Community Development
Indiana Housing Finance Authority
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

Sincerely,

APPLICANT'S CHIEF EXECUTIVE OFFICER
APPLICANT'S NAME

EXHIBIT 4: ORGANIZATIONAL CAPACITY

- B. Current Ratio:** Unless their current tax return is already on file with IHFA, the applicant must include their most recent tax return filed with the IRS in TAB G. Current assets must be indicated in yellow highlighter and current liabilities in pink highlighter. To determine the percentage, total current assets are divided by total current liabilities.
- C. Comprehensive Plan:** To receive points, the applicant must provide the required documentation and respond appropriately to all questions.

EXHIBIT 5: READINESS TO PROCEED

- B. Milestones:** Be specific and detailed. It is particularly important that you indicate when a HOME CHDO or LIHTF Loan will be repaid and with what source of funds.

EXHIBIT 6: MARKET

- A.** A list of qualified census tracts is provided in Appendix B, and Federally Declared Disaster Areas can be found on the FEMA website at <http://www.fema.gov/library/drcys.htm>.
- B.** Refer to the table in Appendix C when answering this question. In the boxes to the left of the categories fill in the appropriate data from the chart. Then, check the corresponding points for the counties to be served.
- C.** You must answer yes to question 1d, 2, 3a, 3b, 3c, 3d, or 3e in order to receive points in this category.

EXHIBIT 7: MINORITY/WOMEN BUSINESS ENTERPRISE PARTICIPATION

Applicants wanting to score points in this category will have to provide appropriate documentation in TAB J.

EXHIBIT 8: BUDGET

PLANNING - Costs associated with the completion of a CDBG Housing Needs Assessment or a Feasibility Study should be included in the line items under Planning. Please refer to Eligible Activities for a list of eligible costs.

ADMINISTRATION - The line items under administration include those costs directly related to compliance with the federal requirements for the CDBG Housing Needs Assessment or Feasibility Study. Please refer to Eligible Activities for a list of eligible costs. This amount is limited to 5% of the award request amount.

CHDO PREDEVELOPMENT OR SEED MONEY COSTS – These line items include preliminary development costs associated with conducting a feasibility analysis of the proposed activity or getting the development ready for construction. Please refer to Eligible Activities for a list of eligible costs for each loan type.

LIHTF SEED MONEY COSTS- These line items include preliminary development costs associated with conducting a feasibility analysis of the proposed activity or getting the development ready for construction. Please refer to Eligible Activities for a list of eligible costs.

A. BUDGET LIMITATIONS

- The sum of funds budgeted for award administration costs cannot exceed 5% of the total award.
- The HOME CHDO funds budgeted for Staff Salaries cannot exceed 5% of the loan request amount.
- HOME CHDO funds requested for the same development for a CHDO Predevelopment Loan and a CHDO Seed Money loan combined cannot exceed \$30,000.

- B. CHDO SEED MONEY LOAN LIMITATION:** Applicants for CHDO Seed Money Loans who also have a previous CHDO Predevelopment Loan for the same development, may not request funds in excess of \$30,000 for both loans combined.

- C. CDBG OR LIHTF LEVERAGE/MATCH:** List the total funding request, the minimum required leverage/match for the activity type and amount of funds being requested, and the actual amount of eligible leverage/match proposed. (CDBG and LIHTF applications only.)

- D. CDBG OR LIHTF ELIGIBLE LEVERAGE/MATCH:** List only the sources and amounts of funding proposed to serve as CDBG-eligible leverage or LIHTF-eligible match (this may differ from the total amount of funding for the activity. For each source, list the date it was committed (or the date it is anticipated to be committed) to the activity. All applicants must attach in TAB K commitment letters or resolutions for each source of leverage/match that is not provided by the applicant.

- E. LIHTF SECURITY:** Security is required for all LIHTF loans. Security must be listed in the chart as well as documented in TAB L.

EXHIBIT 9: CITIZEN PARTICIPATION REPORT (CDBG APPLICANTS ONLY)

According to 24 CFR § 570.486, the CDBG applicant must:

1. Provide for a minimum of two (2) public hearings, each at a different stage of the program, for the purpose of obtaining citizens' views and responding to proposals and questions.
 - a. Together, the hearings must cover community development and housing needs, development of proposed activities, and a review of program performance.
 - b. The public hearing covering these community development and housing needs must be held before submission of an application to IHFA and must provide citizens an opportunity to comment on the activities proposed in the application. The legal notice and hearing must address the current CDBG request. For example, if an applicant applies during a funding round but receives no funding, they must republish and hold a new hearing for any subsequent application submittal.
 - c. The hearings must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for persons with disabilities.
 - d. Public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate.
 - e. The second public hearing reviewing of program performance must be completed prior to closing out a CDBG award.
2. Provide citizens the address, phone number, and times for submitting complaints and grievances, and provide timely written answers to written complaints and grievances, within fifteen (15) working days where practical.
3. Under Indiana Code (I.C. 5-3-1-2 (B)), there must be a minimum of one legal notice in the newspaper of general local circulation at least ten (10) calendar days prior to each scheduled public hearing. To count the ten days, do not count date of publication, but do count the day the hearing is held.
 - a. For example: Date of Notice Publication: 1/1/00 (Begin counting on 1/2/00)
Date of Public Hearing: 1/11/00 (or later)
 - b. The notice must at a minimum:
 - Encourage citizen participation by listing the date, time, and location of the public hearing.
 - Describe the purpose of the meeting and the proposed housing activity.
 - Indicate who the applicant is, where the applicant is applying for funding, and the source of the funding (i.e., Community Development Block Grants).
 - Provide contact information for additional questions or concerns.
 - c. A sample legal notice is provided below:

On or about (date), the (applicant) intends to apply to the Indiana Housing Finance Authority for a award from the State Community Development Block Grant Program. This program is funded by Title I of the Housing and Community Development Act of 1974, as amended. These funds are to be used for economic development, public facilities, and housing developments. The purpose of this application shall be for (summary of proposed activity).

The (applicant) will hold a public hearing on (date), at (time), in (place) to provide citizens an opportunity to express their views on community development and housing needs, past community development and housing activities, and the proposed (description) activity. In the previous year(s), (list past years), the (applicant) has received Community Development Block Grant funds for the following activities:

_____ .

Records regarding the accounting of these beneficiaries and funds are available from (person - address). Interested citizens are invited to provide comments regarding these issues either at the public hearing or by prior written statement. A plan to minimize displacement and provide assistance to those displaced has been prepared and is available to the public. The application will be available for review and comment on (date) .

Information concerning the proposed activity may be obtained from (person - telephone) from (time) to (time) on (days) .

The Citizens' Participation Report must be completed and submitted with the application. In addition, a publisher's affidavit with an original copy of the legal notice, minutes of the hearing, list of attendees, copies of any comments or complaints received, and copies of responses to any comments or complaints must be provided with the application. The original publisher's affidavit may be submitted after the application due date, but must be received by the IHFA no later than fourteen (14) days after the application due date.

EXHIBIT 10: AFFIRMATION OF CHDO STATUS (HOME CHDO ONLY)

All applicants applying for HOME CHDO Loan funds must provide an original document.

EXHIBIT 11A: RESOLUTION FOR APPLICATION SUBMITTAL AND LEVERAGE FUNDS (CDBG ONLY)

All applicants of Community Development Block Grant must include an original signed resolution with their application. The resolution must contain information as given in the sample resolution form provided in the application packet. Since submission requirements differ slightly for CDBG, HOME CHDO, and LIHTF applications, three separate sets of forms are included with the application packet. The resolution must address the current CDBG request. For example, if an applicant applies during a funding round but receives no funding, a NEW resolution must be adopted for any subsequent application submittal.

EXHIBIT 11B: BORROWING RESOLUTION (FOR HOME CHDO PREDEVELOPMENT OR SEED MONEY LOANS ONLY)

All applicants of HOME Investment Partnerships Program funds must include an original signed borrowing resolution with their application. The resolution must contain information as given in the sample borrowing resolution form provided in the application packet. Submission requirements differ slightly for CDBG, HOME, and LIHTF applications, so there is a separate resolution form for each in the application packet. Be sure the use the appropriate form. The resolution must address the current HOME Predevelopment Loan or Seed Money Loan request. For example, if an applicant applies during a funding round but receives no funding, a NEW resolution must be adopted for any subsequent application submittal.

EXHIBIT 11C: BORROWING RESOLUTION (FOR LIHTF SEED MONEY LOANS ONLY)

All applicants of Indiana Low Income Housing Trust funds must include an original signed borrowing resolution with their application. The resolution must contain information as given in the sample borrowing resolution form provided in the application packet. Submission requirements differ slightly for CDBG, HOME, and LIHTF applications, so there is a separate resolution form for each in the application packet. Be sure the use the appropriate form. The resolution must address the current LIHTF Seed Money Loan request. For example, if an applicant applies during a funding round but receives no funding, a NEW resolution must be adopted for any subsequent application submittal.

EXHIBIT 12A,B, AND C: ASSURANCES & CERTIFICATIONS

All applicants are required to submit **original, fully executed** Assurances and Certifications. Since submission requirements differ slightly for Community Development Block Grant (CDBG), HOME Investment Partnerships Program fund (HOME), and Indiana Low Income Housing Trust Fund applications, three separate sets of forms have been provided. It is important that application preparers take care to ensure that the correct set of forms (i.e., CDBG, HOME, or LIHTF) is included with the application packet.

Applicants that receive awards of CDBG, HOME, or LIHTF funding are bound by the content of the Assurances and Certifications. Therefore, applicants should seek guidance of their legal counsel and be familiar with the Assurances and Certifications prior to signing this exhibit and submitting an application to IHFA.

The chief elected official of the local unit of government or the legally authorized signatory of a non-profit CHDO organization must sign the Assurances and Certifications, and the signature must be attested to.

EXHIBIT 13: SELF-SCORE SHEET

Read the application scoring summary before completing this form.